

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

<p>In re:</p> <p>THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,</p> <p style="text-align: center;">as representative of</p> <p>THE COMMONWEALTH OF PUERTO RICO, <i>et al.</i>,</p> <p style="text-align: center;">Debtors.¹</p>	<p>PROMESA Title III</p> <p>No. 17 BK 3283-LTS</p> <p>Re: ECF Nos. 3019, 3777</p> <p>(Jointly Administered)</p>
<p>In re:</p> <p>THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,</p> <p style="text-align: center;">as representative of</p> <p>THE COMMONWEALTH OF PUERTO RICO,</p> <p style="text-align: center;">Debtor.</p>	<p>PROMESA Title III</p> <p>No. 17 BK 3283-LTS</p> <p>This Urgent Motion relates to the Commonwealth, HTA, and PREPA, and shall be filed in Case Nos. 17 BK 3283-LTS, 17 BK 3567-LTS, and 17 BK 4780-LTS.</p>
<p>In re:</p> <p>THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,</p> <p style="text-align: center;">as representative of</p> <p>PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY (“HTA”),</p>	<p>PROMESA Title III</p> <p>No. 17 BK 3567-LTS</p>

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Debtor.	
In re: THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, as representative of PUERTO RICO ELECTRIC POWER AUTHORITY, Debtor.	PROMESA Title III No. 17 BK 4780-LTS

SECOND URGENT CONSENTED MOTION FOR EXTENSION OF DEADLINES

To the Honorable United States District Court Judge Laura Taylor Swain:

The Commonwealth of Puerto Rico (the “Commonwealth”)² and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), on behalf of the Puerto Rico Electric Power Authority (“PREPA”) and the Puerto Rico Highways and Transportation Authority (“HTA” and together with PREPA and the Commonwealth, the “Debtors”), pursuant to the authority granted to it under the *Enabling Act of the Fiscal Agency and Financial Advisory Authority*, Act 2-2017, respectfully submit this urgent consented motion for extension of deadlines, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), extending the deadlines set forth in the *Order Extending Deadlines Regarding Hearing Request and Reply Filed by the Autonomous Municipality of Ponce* [Case No. 17 BK 3283, ECF No. 3777] (the “Amended Scheduling Order”).

² The Financial Oversight and Management Board for Puerto Rico, as the Debtors’ representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”), has authorized the Department of Justice to file this Urgent Motion on behalf of the Commonwealth and AAFAF to join in this Urgent Motion on behalf of HTA and PREPA.

Request for Relief

1. On May 4, 2018, the Autonomous Municipality of Ponce (“Movant”) filed the *Motion for Partial Lift of Stay* [Case No. 17 BK 32830, ECF No. 3019] (the “Motion”), seeking relief from the automatic stay to allow the case captioned *Municipio de Ponce v. ACT, et al.*, Case No. JAC1993-0485 (the “Prepetition Action”), before the Puerto Rico Court of First Instance to proceed, except for any evidentiary hearing on damages, and for the judgment entered on June 24, 1996 in the Prepetition Action (the “Prepetition Judgment”) to be enforced, except for any judgment or settlement for damages. Motion ¶¶ 9, 15.

2. On July 5, 2018, the Commonwealth filed the *Objection of the Commonwealth to Motion for Partial Lift of Stay filed by Autonomous Municipality of Ponce Stay* [Case No. 17 BK 32830, ECF No. 3439] (the “Commonwealth Objection”) arguing, among other things, that the enforcement of the Prepetition Judgment would require that the Commonwealth expend over \$100 million.

3. On that same date, PREPA, through AAFAF, filed the *Joinder of the Puerto Rico Fiscal Agency and Financial Advisory Authority on Behalf of the Puerto Rico Electric Power Authority to Objection of the Commonwealth to Motion for Partial Lift of Stay Filed by Autonomous Municipality of Ponce* [Case No. 17 BK 4780, ECF No. 898]. PREPA joined the Commonwealth Objection and indicated that enforcement of the Prepetition Judgment would require it to spend approximately \$16 million.

4. On July 20, 2018, HTA, through AAFAF, filed the *Joinder of the Puerto Rico Fiscal Agency and Financial Advisory Authority on Behalf of the Puerto Rico Highways and Transportation Authority to Objection of the Commonwealth to Motion for Partial Lift of Stay Filed by Autonomous Municipality of Ponce* [Case No. 17 BK 32830, ECF No. 3661; Case No. 17

BK 3567, ECF No. 471]. HTA joined the Commonwealth Objection and indicated that enforcement of the Prepetition Judgment would require it to spend approximately tens of thousands of dollars annually to fund of a court-appointed monitor pursuant to the Prepetition Judgment.

5. On August 3, 2018, Movant filed the *Omnibus Reply to Opposition to Motion Requesting Lift of Stay* [Case No. 17 BK 32830, ECF No. 3735] (the “Reply”).

6. On that same date, Movant also filed the *Motion Requesting Hearing on 362 Lifting of the Stay* [Case No. 17 BK 3283, ECF No. 3736] (the “Motion Requesting Hearing”) requesting that the Court enter an order scheduling an evidentiary hearing to consider the Motion.

7. On August 9, 2018 the Court entered a *Scheduling Order Regarding Hearing Request and Reply filed by the Autonomous Municipality of Ponce* Case [No. 17 BK 3283, ECF No. 3755, Case No. 17 BK 3567, ECF No. 482 and Case No. 17 BK 4780, ECF No. 937] (the “Scheduling Order”), which provided that: (i) responses to the issues addressed in Section II and III of the Reply and (ii) Debtors’ positions as to the Motion Requesting Hearing had to be filed by August 15, 2018 at 5:00 p.m. The Scheduling Order also directed the Debtors and Movant to meet and confer and to submit a joint status report by August 21, 2018 at 5:00 pm.

8. On August 15, 2018, the Debtors filed an *Urgent Consented Motion for Extension of Deadlines* [No. 17 BK 3283, ECF No. 3773, Case No. 17 BK 3567, ECF No. 483 and Case No. 17 BK 4780, ECF No. 938] requesting additional time as the Debtors were in the process of reviewing the pertinent information regarding the facts and issues raised in the Reply.

9. On August 16, 2018, the Court entered the Amended Scheduling Order extending the deadlines for the Debtors to file the responses to the Reply and to the Motion Requesting Hearing to August 24, 2018 at 5:00 pm. The Amended Scheduling Order also extended the

deadline for the Debtors and Movant to meet and confer and file the joint status report to August 30, 2018 at 5:00 pm.

10. The Debtors have obtained a majority of the pertinent information regarding the facts and issues raised in the Reply; however, the Debtors continue to work with the relevant Commonwealth agencies to obtain certain remaining, relevant information. In addition, to address the new arguments raised by Movant in the Reply, it is necessary for the Debtors to obtain and review translations of various documents in Spanish, including the voluminous Prepetition Judgment and related decision of the Puerto Rico Supreme Court.

11. Accordingly, the Debtors need additional time to obtain said translations and submit their responses to the Reply. In consideration of the foregoing, the Debtors request the following extensions of the deadlines set forth in the Amended Scheduling Order:

- The deadline to file responses to the Reply and the Motion Requesting Hearing, shall be extended to **September 10, 2018**.
- The deadline for Movant and the Debtors to file the joint status report shall be extended to **September 14, 2018**.

12. The Debtors discussed this request with counsel for the Movant who consented to the relief requested herein.

13. Pursuant to Paragraph 1.H of the *Fifth Amended Notice, Case Management and Administrative Procedures* [Case No. 17 BK 3283, ECF No. 3730-1] (the “Case Management Procedures”), the Debtors hereby certify that they have carefully examined the matter and concluded that there is a true need for an urgent motion; they have not created the urgency through any lack of due diligence; have made a bona fide effort to resolve the matter without a hearing; have made reasonable, good-faith communications in an effort to resolve or narrow the issues that are being brought to the Court, and no party opposes the relief requested herein.

Notice

14. The Debtors have provided notice of this motion in accordance with the Case Management Procedures to the following parties: (a) the Office of the United States Trustee for the District of Puerto Rico; (b) the indenture trustees and/or agents, as applicable, for the Debtors' bonds; (c) the entities on the list of creditors holding the 20 largest unsecured claims against COFINA; (d) counsel to the statutory committees appointed in these Title III cases; (e) the Office of the United States Attorney for the District of Puerto Rico; (f) counsel to the Oversight Board; (g) the Puerto Rico Department of Justice; (h) the Other Interested Parties;³ (i) all parties filing a notice of appearance in these Title III cases; and (j) Movant. A copy of the motion is also available on the Debtors' case website at <https://cases.primeclerk.com/puertorico/>.

15. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

WHEREFORE, the Debtors respectfully request the Court enter the Proposed Order and grant such other relief as is just and proper.

Dated: August 24, 2018
San Juan, Puerto Rico

³ The "Other Interested Parties" include the following: (i) counsel to certain of the insurers and trustees of the bonds issued or guaranteed by the Debtors; and (ii) counsel to certain ad hoc groups of holders of bonds issued or guaranteed by the Debtors.

Respectfully submitted,

WANDA VÁZQUEZ GARCED

Secretary of Justice

/s/ Wandymar Burgos Vargas

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Exhibit A

Proposed Order